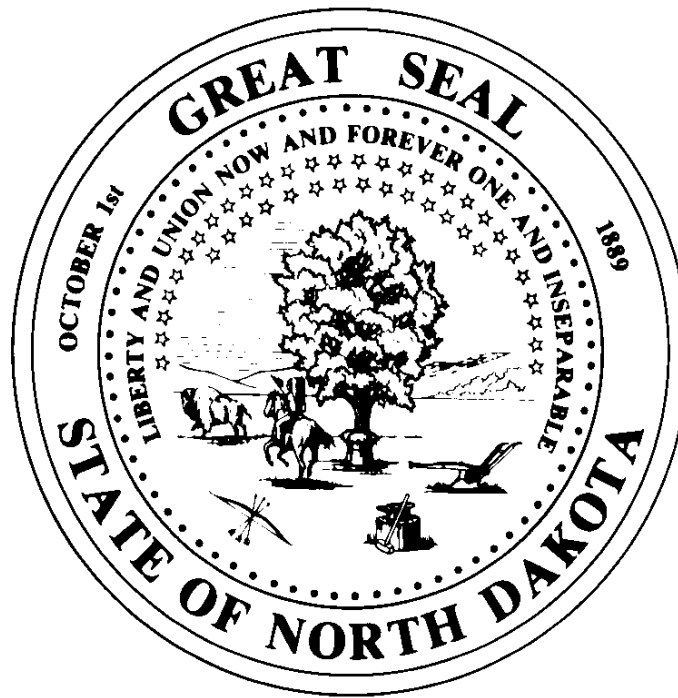


State of North Dakota SURPLUS PROPERTY

Central Services Division
A Division of the Office of Management and Budget



POLITICAL SUBDIVISIONS Disposal Manual

Property Disposal Manual for Political Subdivisions

The intent of this manual is to identify to political subdivisions the procedures for the reporting and disposal of their personal property. Reporting property to Surplus Property for disposal is optional. Policies and procedures outlined in this manual are guidelines to insure the proper submission of State Property Disposal Form for Political Subdivision, SFN 52237.

It is recommended that all personnel that have been designated to be responsible for their organization's property become familiar with these instructions. This will help facilitate the rapid disposal of their organization's surplus property as required by law.

***Surplus Property Division
PO Box 7293
Igoe Industrial Park #12
Bismarck ND 58507-7293***

Office: 701-328-9665

Fax: 701-328-9669

Director: 701-328-9667

Distribution Center: 701-328-9666

Eligibility & Compliance: 701-328-9666

Surplus Property Specialist: 701-328-9666

<http://www.state.nd.us/csd/surplus/default.html>

AN EQUAL OPPORTUNITY AGENCY

About State Surplus Property . . .

State Surplus Property is the operation established to handle the acquisition, distribution and disposal of state, Federal, and political subdivision property for the State of North Dakota. State Surplus Property is part of the Office of Management and Budget in the Central Services Division.

Authority References . . .

The North Dakota State Agency for Surplus Property operates under Sections 54-44-04.5 and 54-44-04.6 of the North Dakota Century Code.

The Law . . .

54-44-04.6. State surplus property -- Department heads to inform director -- Disposition of property -- Proceeds -- Exchange of property.

1. The person in charge of any department, agency, or institution of the state shall inform the Director of the Office of Management and Budget or the Director's designee whenever that department, agency, or institution possesses property surplus to its needs, whether originally obtained with state or other funds.
2. Political subdivisions may provide their surplus property to the Office of Management and Budget for disposition according to subsections 3, 4, and 5.
3. Surplus property must be transferred at fair market value to state agencies, political subdivisions, and nonprofit organizations eligible to receive federal surplus property under the Federal Property Administrative Services Act of 1949, as amended. Eligible organizations must be notified of the availability of property on a regular basis.
4. If not disposed of under subsection 3, then by sale on sealed bids or at public auction to the highest and best bidder for property valued at more than three thousand dollars, with no money deposit required prior to sale, or by sealed bids, public auction, or negotiation at fair value for property valued at less than three thousand dollars.
5. All proceeds received from the transfer or sale of surplus property must be deposited with the State Treasurer for deposit in the Surplus Property operating fund. For each piece of property sold for less than three thousand dollars, all proceeds must be retained in the Surplus Property operating fund unless the Office of Management and Budget determines the sale proceeds are subject to special requirements for distribution. For each piece of property sold for three thousand dollars or more, the Office of Management and Budget shall transfer to the agency from which the property was received an amount equal to the proceeds of the sale less the administrative expenses of the sale. The agency shall deposit the proceeds into the fund from which the property was originally purchased. At the end of each biennium, the Office of Management and Budget shall transfer all funds in the Surplus Property operating fund that exceed the amount needed for operating the Surplus Property function for one year to the general fund.

Policies and Procedures for the Disposal of Surplus Property

Property, which is surplus to the needs of a political subdivision, may be reported to State Surplus Property. State Surplus Property reserves the right to accept or reject property based on its condition or other factors affecting its usability. The property is then disposed of according to Section 54-44-04.6 of the North Dakota Century Code.

Property is disposed of according to Subsections 3 and 4 of ND Century Code 54-44-04.6. This means that property will be made available to organizations already determined eligible to receive federal surplus property. These organizations will have a priority for the items the first 30 days after Surplus Property receives it. If an item is valued at less than \$3,000 and is not acquired by an organization eligible for federal property within the first 30 days, it will then become available for purchase for personal use on a first-come, first-served basis. If the item is valued at more than \$3,000, it will be sold by sealed bid or public auction.

It is the responsibility of the disposing entity to remove property not disposed of by Surplus Property.

Disposal of Computers and Software . . .

Because of risk management issues, software and data must be removed from the hard drive of any computer being surplussed. Just formatting the hard drive does not render the data irretrievable. Software and utilities can be downloaded from <http://www.state.nd.us/csd/surplus/computer.htm>, which will write 0's over the data on the hard drive. The data cannot be retrieved but the computer is still usable.

The following is to be done prior to reporting computers for disposal to Surplus Property.

- Format the hard drive with the software or utilities available from the web site referenced above. Reinstallation of the original software purchased with the computer is optional.
- Send the original software installation disks and manuals with the computer.
- Software no longer needed is to be rendered unusable and destroyed along with the manuals and licenses.
- Software can be surplussed as long as doing so doesn't violate any license requirements and the disposing organization is willing to comply with the transfer stipulations that come with all software. It is the responsibility of the original owner of the software to see that the transfer requirements are complied with. Recourse for the manufacturers of software and hardware is with the original owner.

Procedures . . .

It is requested that only one item be listed on a form. Multiple quantities of the same type of item may be listed on one form. For example, 5 chairs of similar type may be listed on one form.

1. Surplus items are reported to Surplus Property by completing Part A of the State Surplus Property Disposal Form for Political Subdivisions, SFN 52237, and mailing a copy to Surplus Property, P.O. Box 7293, Bismarck, N.D. 58507-7293. Securely fasten a copy of the form to the property and retain a copy for your records. The form can be obtained by calling the Surplus Property Office at 701-328-9665 or by downloading it from the web site at <http://www.state.nd.us/eforms/Doc/sfn52237.pdf>.
2. A representative from Surplus Property will contact the individual listed on the form as to the condition and usability of the property.

3. If the property is accepted, it may be delivered to the Surplus Property facility at Igoe Industrial Park, Building 12, Bismarck, Monday through Friday (except holidays) between 8:30 a.m. and 4:00 p.m. All property delivered to Surplus Property must have a copy of the disposal form attached to it. If an electronic version of the disposal form is used, securely fasten a copy to the item and send one copy to Surplus Property. Retain one copy for organization records.
4. When property that remains on-site is disposed of, complete Part B, Method Disposition Section, of the Surplus Property disposal form. Return the form to Surplus Property along with the check (written out to Surplus Property) or cash. Keep a copy of the form for your records.
5. Property with an estimated current value of \$400 or more may be listed on an Internet auction site for sale. Someone from the Surplus Property office will call for more information about the items intended for Internet sales. Property will not be listed for sale on the Internet until the item has been made available to state agencies and other eligible organizations.
6. Political subdivisions will receive a report monthly showing all activity regarding their property.
7. Surplus Property will retain all proceeds from the sale of surplus property unless a political subdivision has special requirements to meet in the disposal of their property or the item sells for more than \$3,000. Net proceeds (gross proceeds less Surplus Property's administrative costs) will be distributed at the beginning of the month following the sale.

Sales to the Public . . .

Political subdivision property is available for sale to the general public for personal use on a first-come, first-served basis for items valued at less than \$3,000. Items valued at more than \$3,000 can only be sold to the general public by sealed bid or by auction.

Some items may be sold on an Internet auction site. Links to the auction sites are on Surplus Property's website at www.state.nd.us/csd/surplus/default.html.

Surplus Property's hours of operation for the distribution center are from 8:00 a.m. to 4:30 p.m. Monday through Friday.

Instructions for Completing SFN 52237 - State Surplus Property Disposal for Political Subdivisions Form . . .

Part A: To be completed by disposing agency.

Political Subdivision - Name of the disposing political subdivision.

Phone - List the phone number of a contact person.

Fax – List the fax number.

E-mail – List an e-mail address, if available.

Complete Description of the Item - List the description of the item. Include the model number, serial number, etc.

Asking Price – List the price you would like to receive for the property.

Lowest Acceptable Price – List the lowest price you will accept.

Political Subdivision Inventory Number - List the inventory number of the item if applicable.

Condition of Item - Check one of the boxes that best describe its condition.

Authorized Representative Signature – Signature of the authorized representative.

Date – Date the authorized representative signed the form.

OMB/Surplus Property is authorized to sell this property at the public auction for what the market will bear – Check either yes or no.

Part B: State Surplus Property will complete this section.



STATE SURPLUS PROPERTY DISPOSAL FOR POLITICAL SUBDIVISIONS

OMB/SURPLUS PROPERTY

SFN 52237 (Rev. 02-2000)

Item Number (Leave Blank)

A. TO BE COMPLETED BY POLITICAL SUBDIVISION

Political Subdivision	Phone	Fax	E-Mail
Complete Description of Item			Asking Price
			Lowest Acceptable Price
Political Subdivision Inventory Number	<input type="checkbox"/> Good - Usable without repair	<input type="checkbox"/> Fair - May need repairs	<input type="checkbox"/> Poor - Need major repairs
TRANSFERRED TO STATE SURPLUS PROPERTY			
Authorized Representative Signature			Date
OMB/Surplus Property is authorized to sell this property at public auction for what the market will bear. <input type="checkbox"/> Yes <input type="checkbox"/> No			

B. TO BE COMPLETED BY OMB/SURPLUS PROPERTY

<input type="checkbox"/> Received by State Surplus Property for disposition	Date	Signature
METHOD OF DISPOSITION		
<input type="checkbox"/> RETURNED <input type="checkbox"/> SOLD <input type="checkbox"/> DESTROYED <input type="checkbox"/> OTHER	Amount \$	TO:
	Address	
I certify property listed in Part A was disposed of according to Section 54-44-04.6 of the North Dakota Century Code by OMB/Surplus Property.		
OMB/Surplus Property		Date

NOTE: List only like items on a form; use a separate form for unrelated items. The disposing agency is responsible for delivering items for disposal to Surplus Property and for removing the items not disposed of by Surplus Property.

Please securely tape a copy of the form to each item. Retain one copy for your records.
Send the original to:

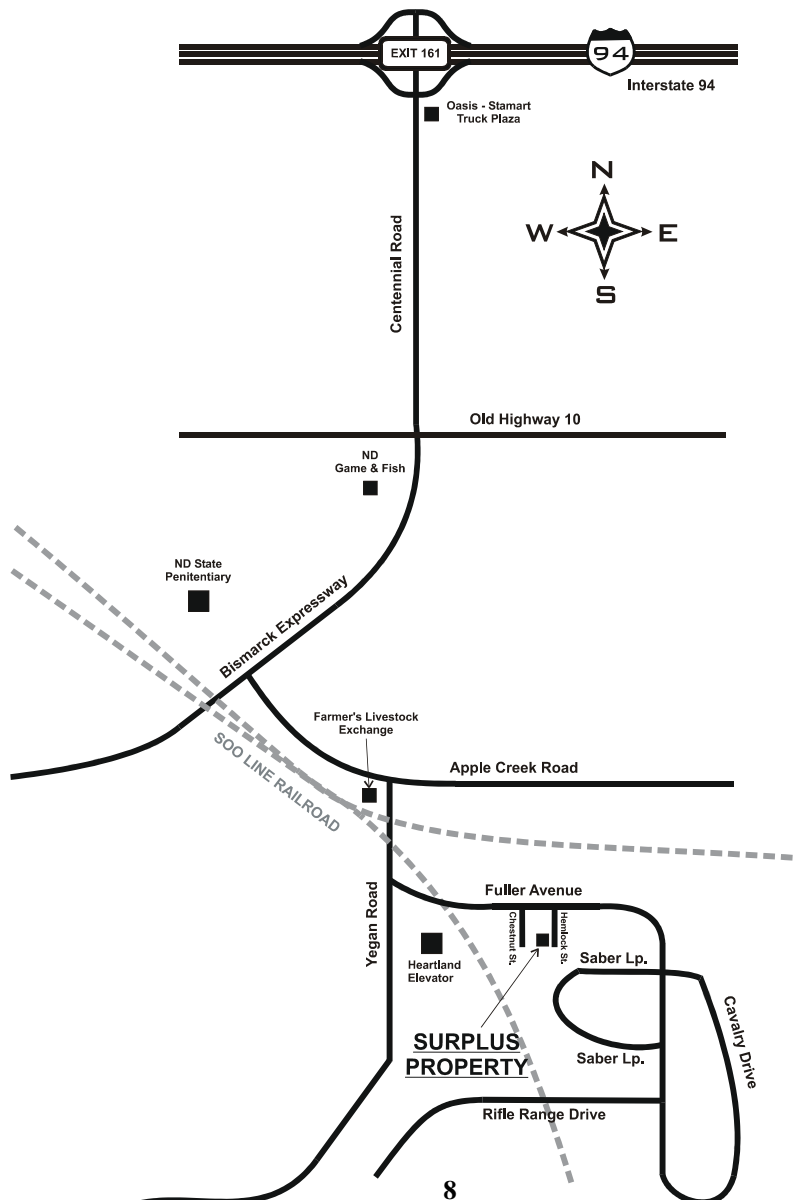
North Dakota State Agency for Surplus Property
Igoe Industrial Park, Building 12
P.O. Box 7293
Bismarck, ND 58502-7293

Telephone: (701) 328-9665

Location of SASP Warehouse . . .

The SASP warehouse is located in the Igoe Industrial Park, Building 12, Bismarck, N.D.
Listed below are directions from I94, Exit 161:

- Go South 2.2 miles on Centennial Road/Bismarck Expressway.
- Turn left onto Apple Creek Road, go .5 miles to the stop sign at Yegan Road.
- Turn Right onto Yegan Road.
- After you cross the railroad tracks, turn left at the first gravel road (there is a green and white sign indicating North Dakota Surplus Property).
- Surplus Property is located in the last row of gray concrete buildings on the right.



August 1, 2003